



# State of Utah

DEPARTMENT OF COMMERCE  
Committee of Consumer Services

Minutes of the Meeting of the Committee of Consumer Services held  
in the Heber M Wells Building, Salt Lake City, Utah, 7 March 2006

Dee Jay Hammon called the meeting to order at 9:30 p.m. in room #210.

## Members of the Committee in Attendance:

Dee Jay Hammon  
Franz Amussen

Kelly Casaday

Betsy Wolf

## Staff in Attendance:

Dan Gimble  
Cheryl Murray  
Ronnie Drake

Paul Proctor  
Kevin Hale  
Chris Keyser

Reed Warnick  
Eric Orton  
Leslie Reberg

## Members of the Public in Attendance:

Doug Larson  
Roger Ball  
Edward Hunter

Rich Walje  
Brent Bakker  
Tom Specketer

David Eskelsen  
Carol Hunter  
Mark Muench

## 1. Administrative Matter

### 1.1 Welcome and Apologies for Absence

Dee Jay Hammon welcomed all those present and excused Kent Bateman & Ryan Atkinson from the meeting.

### 1.2 Dates and Location of Next Meetings

Thursday, April 18, 2006 commencing at 9:30 AM in Room #210 Heber M. Wells Building, 2<sup>nd</sup> floor.

### 1.3 Approval of Minutes from Prior CCS Meetings

Committee Meeting Minutes were distributed for review.

## 2. Public Comment

No Public Comment

### 3. Electricity

#### 3.1. PacifiCorp 2006 Rate Case Filing

PacifiCorp made a presentation on their 2006 Rate Case Filing. A PowerPoint presentation was passed out and presented to the Committee.

### 4. Natural Gas

#### 4.1. QGC Gas Management Costs

The parties filed request for reconsideration. The Public Service Commission had no comment, which finalized their previous order. If the parties feel necessary, they may file an appeal.

#### 4.2 QGC 2005 Earnings

Questar is still responding to data requests from the Division. Ronnie Drake will review the responses to the data requests. Questar's regulated return is 11.2%. In April, we will see if Questar is earning a higher return.

#### 4.3 Conservation Enabling Tariff

The Commission has issued a Scheduling Order. Consultants are on board and are requesting data from the Company. Testimony will be filed the end of March.

Dee Jay welcomed Ryan Atkinson to the meeting giving the Committee a quorum.

Ryan Atkinson motioned that the Committee go into closed session to discuss pending or reasonably imminent litigation. Franz Amussen seconded the motion and it passed unanimously.

### 5. Closed Meeting: To Discuss Personnel Matters and Pending or Reasonably Imminent Litigation

### 6. Motions on Items Discussed in Closed Meeting

#### 6.1 Franz Amussen motioned to approve the amendment to the MidAmerican Acquisition Stipulation. Betsy Wolf seconded the motion and it passed unanimously.

#### 6.2 Ryan Atkinson motioned to authorize counsel to execute the Request for Agency Action Settlement Agreement, Docket No. 05-035-98, on behalf of the Committee and to jointly file the Agreement with the Utah Public Service Commission in accordance with its terms.

The motion also calls for the Committee to release details of the PacifiCorp Income Tax Settlement Agreement immediately upon completion of MEHC's

ongoing discussion with third parties related to the effective date of the Settlement Agreement.

The motion also contains the Committee's position that the Settlement Agreement fairly and favorably resolves the issues in the Request for Agency Action by providing among other things long term benefits to Utah ratepayers from reduced electric energy costs and the development of Utah based generation resources. Franz Amussen seconded the motion and it passed unanimously.

#### 7. Public Outreach

A letter was sent out responding to an email that was sent to Senator Patrice Arent. The Committee received a response to the letter from Mr. George Smith commending the Committee on its service concerning Questar Gas rate increase. Chris Keyser the Committees Communication Specialists keeps a log of emails, phone calls, letters, etc.

The Utah Department of Commerce Fiscal 2005 Annual Report was passed out. Also, a client outreach list was passed out for review. It showed 53 Committee visits since January 2005. The Committee's most recent visit on February 8, 2006 was with the Women's State Legislative Council. Kelly Casaday represented the Committee in a panel discussion with Public Service Commissioner Ted Boyer and Questar Gas President and CEO Allen Allred.

#### 8. Legislative Update

A list of Utility Bills was passed out. The description & status of these bills were in the handout.

#### 9. CCS Operational and P&T Budget Update

Department Fiscal Analyst/Budget Officer Peter Anjewierden presented the Committee's Budget.

#### 10. New and Amended P&T Contracts

##### 10.1 PacifiCorp Rate Case

It is proposed that the Committee of Consumer Services approve the allocation of an additional \$117,500 to Larkin & Associates and extend the termination date to July 31, 2007; \$50,700 to Yankel & Associates and extend the termination date to July 31, 2007; \$20,000 to Diversified Utility and to extend the termination date to March 31, 2007; to Hill & Associates to extend the termination date to September 30, 2006.

It is proposed that the Committee of Consumer Services enter into a new contract with Hayet Power System Consultanting allocation for \$78,565, with a termination date of July 31, 2006. These Consultants will be providing expert assistance regarding the PacifiCorp Rate Case.

Ryan Atkinson motioned to approve new contracts and contract amendments. Franz Amussen seconded the motion and it passed unanimously.

#### 10.2 Other Contracts in Process

It is proposed that the Committee of Consumer Services enter into a new contract with the following consultants: Resource Insight, allocation up to \$58,703 with a termination date of 14 March 2008; with Larkin and Associates, allocation for up to \$51,824 with a termination date of 8 March 2008; with Diversified Utility Consultant, allocation of up to \$35,000 with a termination date of 7 March 2008.

Franz Amussen motioned to approve Resource Insight to assist in the examination of PacifiCorp's Power Cost Adjustment Mechanism, Larkin & Associates to assist the Committee in examination of cost of capital and alternative rate making mechanism issues raised in connection with the Joint Application requesting a Conservation Enabling Tariff and/or a Questar Gas Company General Rate Case, and Diversified Utility Consultant in the examination of depreciation issues raised in connection with the Joint Application requesting a Conservation Enabling Tariff and/or Questar Gas Company General Rate Case. Ryan Atkinson seconded the motioned and it passed unanimously.

Dee Jay feels that the Committee needs a budget overview periodically. An overview could be presented every Committee meeting.

Ryan motioned to approve the Committee Minutes for the August 29, 2005 & December 15, 2005. Franz seconded the motion and it passed unanimously.

#### 11. Other Business

Franz proposed that the meeting adjourn; the meeting ended at 2:00pm.